

Agenda Date: 2/1/06 Agenda Item: III x

# STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

#### CABLE TELEVISION

IN THE MATTER OF THE PETITION OF COMCAST	)	ORDER OF AMENDMENT TO
OF NEW JERSEY, LLC FOR A RENEWAL		A RENEWAL
CERTIFICATE OF APPROVAL TO CONTINUE	)	CERTIFICATE OF APPROVAL
TO CONSTRUCT, OPERATE AND MAINTAIN	)	
A CABLE TELEVISION SYSTEM AND CABLE	•	
COMMUNICATIONS SYSTEM IN AND FOR	)	
THE CITY OF EAST ORANGE, COUNTY		DOCKET NO. CE05121067
OF ESSEX, STATE OF NEW JERSEY	)	DOCKET NO. CE05030298

#### SERVICE LIST ATTACHED

#### BY THE BOARD

On June 22, 2005, the Board granted Comcast of New Jersey II, LLC ("Petitioner") a Renewal Certificate of Approval in Docket No. CE05030298 for the construction, operation and maintenance of a cable television system in the City of East Orange ("City").

Subsequently, the City and the Petitioner entered into negotiations to amend the municipal consent ordinance upon which the Certificate is based. The municipal consent ordinance adopted by the City on February 28, 2005, required the Petitioner to establish payment centers in the City. The City agreed to amend this provision to state that the Petitioner will establish one payment center in the City. On November 28, 2005, the City amended its municipal consent ordinance of February 28, 2005. On December 16, 2005, the Petitioner accepted the terms and conditions of the amended ordinance.

On December 22, 2005, the Petitioner filed a petition for Amendment of the Renewal Certificate of Approval, pursuant to N.J.S.A. 48:5A-47 and N.J.A.C. 14:17-6.7. In its petition, the Petitioner requested that the Board approve an amendment to the municipal consent upon which the Renewal Certificate of Approval was based. The Board has reviewed the petition for Amendment of the Certificate of Approval and the amended municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

As the requested alteration will not adversely affect the public interest in the provision of safe, adequate and proper cable television service, Provision No. 8 of the Renewal Certificate of Approval issued on June 22, 2005, in Docket No. CE05030298, is amended to provide that the Petitioner shall establish one payment center within the City for the purpose of receiving payments from customers at sites mutually acceptable to the City and the Petitioner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Amendment to the Renewal Certificate of Approval as evidence of the Petitioner's authority to construct, operate and maintain a cable television system in the City. The Amendment shall not affect any of the remaining terms and conditions of the Certificate of Approval issued by the Board in its grant of operating authority. This Amendment to the Renewal Certificate of Approval is subject to all applicable state and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein.

The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of the Certificate issued by the Board.

This Amendment to the Renewal Certificate of Approval is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

DATED: 2/2/06

BOARD OF PUBLIC UTILITIES BY:

JEANNE M. FOX

FREDERICK F BUTLER

COMMISSIONER

CONNIE O. HUGHES
COMMISSIONER \*

JOSEPH L. FIORDALISO

COMMISSIONER

ATTEST:

in t

SECRETARY

HEREBY CERTICY that the way document is a true copy of the augmal in the files of the Board of Public

in the files of the Board of Public Utilities

#### **SERVICE LIST**

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Agenda Date: 6/22/05 Agenda Item: III C

## STATE OF NEW JERSEY

Board of Public Utilities Two Gateway Center Newark, NJ 07102 www.bpu.state.nj.us

#### **CABLE TELEVISION**

IN THE MATTER OF THE PETITION OF COMCAST
OF NEW JERSEY, LLC FOR A RENEWAL
CERTIFICATE OF APPROVAL TO CONTINUE
TO CONSTRUCT, OPERATE AND MAINTAIN
A CABLE TELEVISION SYSTEM AND CABLE
COMMUNICATIONS SYSTEM IN AND FOR
THE CITY OF EAST ORANGE, COUNTY
OF ESSEX, STATE OF NEW JERSEY

RENEWAL
CERTIFICATE OF APPROVAL

CERTIFICATE OF APPROVAL

OF APPROVAL

OF APPROVAL

DOCKET NO. CE05030298

#### SERVICE LIST ATTACHED

#### BY THE BOARD:

On April 28, 1977, the Board granted Suburban Cablevision a Certificate of Approval in Docket No. 763C-6153 for the construction, operation and maintenance of a cable television system in the City of East Orange ("City"). Through a series of transfern with required Board approvals, Comcast Cablevision of New Jersey, Inc. ("Comcast") became the holder of the Certificate. On September 18, 1997, the Board granted Comcast an Order Adopting Initial Decision/ Settlement and Renewal Certificate of Approval for the City in BPU Docket No. CE92060637 and OAL Docket Nos. CTV 8674-92 and CTV 12186-95. Through a series of subsequent transfers, with the required Board approvals, the current holder of the Certificate is Comcast Cablevision of New Jersey II, LLC ("Petitioner"). Although by its terms the Petitioner's above referenced Certificate expired on April 28, 2002, the Petitioner is authorized to continue to provide cable television service to the City pursuant to N.J.S.A. 48:5A-25, pending disposition of proceedings regarding the renewal of its Certificate of Approval.

The Petitioner filed an application for the renewal of its municipal consent with the City on July 26, 2001, pursuant to N.J.S.A. 48:5A-23 and N.J.A.C. 14:18-13. The City, after public hearing, adopted a municipal ordinance granting renewal consent to the Petitioner on February 28, 2005. On March 14, 2005, the Petitioner formally accepted the terms and conditions of the ordinance, in accordance with N.J.S.A. 48:5A-24.

On March 30, 2005, pursuant to N.J.S.A. 48:5A-16, the Petitioner filed with the Board for a renewal of its Certificate of Approval for the City. The Board has reviewed the application for municipal consent, the petition for a Renewal Certificate of Approval and the municipal consent ordinance. Based upon this review and the recommendation of the Office of Cable Television, the Board HEREBY FINDS the following:

- The Petitioner possesses the requisite legal, character, financial and technical qualifications for the awarding of a Renewal Certificate of Approval. Further, the City reviewed these qualifications in conjunction with the municipal consent process.
- 2. The design and technical specifications of the system will ensure that the Petitioner provides safe, adequate and proper service.
- 3. The Petitioner has represented that all previously required construction within the franchise territory is complete.
- 4. The franchise period as stated in the ordinance is 15 years. The Board finds this period to be of reasonable duration.
- 5. The City may review the performance of the Petitioner with regard to the ordinance. The City may conduct a review of the Petitioner's compliance under the ordinance, which shall commence 18 months from the issuance of this Certificate and which shall be completed no later than six months from that date. The City shall notify the Petitioner and the Office of Cable Television in writing of the commencement of the review, and shall also notify the Petitioner and the Office of Cable Television within 30 days of completion of the review, which notice shall contain the City's complete findings under the review. If the City determines that the Petitioner has failed to substantially comply with the material terms and conditions of the ordinance, the City shall provide written notice to the Petitioner of such alleged instances of non-compliance and shall grant the Petitioner 90 days to cure such deficiencies. The City may petition the Board for appropriate administrative action, including revocation of the franchise or reduction of the franchise term if the 90-day opportunity to cure has passed and the deficiencies have not been cured.
- 6. The Petitioner's rates shall be regulated and tariffs shall be filed for all services, in accordance with the rules and regulations of the Federal Communications Commission, the Board and the Office of Cable Television. The Petitioner shall maintain informational tariffs for unregulated service rates and promptly file any revisions thereto.
- 7. Pursuant to statutory requirements, the ordinance specifies a complaint officer to receive and act upon complaints filed by subscribers in the City. In this case, it is the Office of Cable Television. All complaints shall be received and processed in accordance with the applicable rules.
- 8 The Petitioner shall maintain a local business office or agent for the purpose of receiving, investigating and resolving complaints. Currently, the local office is located at 800 Rahway Avenue, Union, New Jersey. The Petitioner shall establish payment centers within the City for the purpose of receiving payments from customers at sites mutually acceptable to the City and the Petitioner.
- 9. The franchise fee to be paid to the City is specified to be 2% of the Petitioner's gross revenues from all recurring charges in the nature of subscription fees paid

by subscribers for its cable television reception service in the City. Additional regulatory fees shall be paid to the State in an amount not to exceed 2% of Petitioner's gross operating revenues derived from intrastate operations. The Board finds these fees to be reasonable.

- 10. The Petitioner shall utilize the line extension policy ("LEP") attached to the Certificate for any property located on Route 280 and the Garden State Parkway, if such service is requested. The minimum homes per mile figure is 35. In all other circumstances, the Petitioner shall provide service along any public right-of-way to any person's residence or business at tariffed rates for standard and non-standard installation.
- The Petitioner shall provide public, educational and governmental access channels and facilities in accordance with its renewal application and the ordinance. Specifically, within 12 months of the date of issuance of this Certificate, the Petitioner shall provide residents of the City with a system-wide community access channel to be maintained by the Petitioner. Qualified individuals and organizations may utilize public access for the purpose of cablecasting non-commercial access programming in conformance with the Petitioner's published public access rules. Upon satisfaction of this obligation, the Petitioner shall submit proof of compliance to the Office of Cable Television
- 12. The Petitioner maintains fully equipped and operational local production studios in Union Township and Woodbridge Township for the creation of local and access programming.

Within 12 months of the date of issuance of this Certificate, the Petitioner shall provide the City with two access channels for use by the City and one channel for the use by the East Orange Public School District for the purpose of cablecasting non-commercial governmental and/or educational programming. Upon satisfaction of this obligation, the Petitioner shall submit proof of compliance to the Office of Cable Television.

14. The Petitioner shall construct a return line for the City access channel from a site of the City's choosing and provide the necessary equipment, including modulators and demodulators, but not including cameras, editing decks and other production equipment, for transmission of signals from the return site to the Petitioner's headend and from there to City residents.

The Petitioner shall provide a one time grant in the amount of \$200,000.00 for the establishment of a studio and support of an access channel.

The Petitioner shall provide support in the amount of \$3,500.00 annually, for the life of the franchise, for events of the City's choosing.

Upon reasonable request by the City, the Petitioner shall offer the City assistance or advice on the production of television programming and for the training of personnel who will assist in productions originated by the City or by its PEG access designees. The Petitioner shall offer the same assistance to the East Orange Public School District.

- 18. The Petitioner shall provide expanded basic cable television service and installation, free of charge, to one instructional space in each school in the City School District, public and private, elementary, intermediate and secondary, provided that each facility is within 200 feet of activated cable distribution plant.
- The Petitioner shall provide basic cable television service and installation, free of charge, to one outlet in each of the City's existing and future municipal buildings, including but not limited to a) City Hall, b) police and fire facilities, c) facilities used by first aid squads, d) emergency management facilities, e) public libraries, and f) community or senior centers, provided that each facility is within 200 feet of activated cable distribution plant.
- 20. The Petitioner shall provide the installation and free basic Internet service via high speed cable modem to one non-networked personal computer in each school in the City, public and private, elementary, intermediate and secondary, provided that each facility is within 200 feet of activated cable distribution plant.
- The Petitioner shall provide the installation and free basic Internet service via high speed cable modem to one non-networked personal computer in the City's Public Library System. The Internet service shall be in installed on a computer that is accessible to the public and not for administrative use.
- 22. Within 12 months of the date of issuance of the Certificate, the Petitioner shall provide the installation and free basic Internet service via high speed cable modem to up to eight computers in each of the five technology centers in the City, including any necessary modems, routers or other equipment except the computers, provided that each facility is within 200 feet of activated cable distribution plant. If the City desires, it may transfer this commitment to the City's Public Library System. Upon satisfaction of this obligation, the Petitioner shall submit proof of compliance to the Office of Cable Television.
- 23. The Petitioner shall provide a discount to qualifying senior and disabled citizens in the amount of 10% off the monthly rate for basic service for senior and disabled citizens who meet the income and residency requirements of the Pharmaceutical Assistance to the Aged and Disabled ("PAAD") program, as allowed by N.J.S.A. 48:5A-11.2.

Based upon these findings, the Board <u>HEREBY CONCLUDES</u>, pursuant to <u>N.J.S.A.</u> 48:5A-17(a) and 28(c), the Petitioner has the municipal consent necessary to support the petition, that such consent and issuance thereof are in conformity with the requirements of <u>N.J.S.A.</u> 48:5A-1 <u>et seq.</u>, that the Petitioner has complied or is ready, willing and able to comply with all applicable rules and regulations imposed by or pursuant to State or federal law as preconditions for engaging in the proposed cable television operations, that the Petitioner has sufficient financial and technical capacity, meets the legal, character and other qualifications necessary to construct, maintain and operate the necessary installations, lines and equipment, and is capable of providing the proposed service in a safe, adequate and proper manner.

Therefore, the Petitioner is <u>HEREBY ISSUED</u> this Renewal Certificate of Approval as evidence of Petitioner's continued authority to construct and operate a cable television system within the entirety of the City.

This Renewal Certificate is subject to all applicable State and federal laws, the rules and regulations of the Office of Cable Television, and any such lawful terms, conditions and limitations as currently exist or may hereafter be attached to the exercise of the privileges granted herein. The Petitioner shall adhere to the standards set forth by the Federal Communications Commission's rules and regulations, 47 <u>C.F.R.</u> §76.1 <u>et seq.</u>, including but not limited to, the technical standards 47 <u>C.F.R.</u> §76.601 through §76.630. Any modifications to the provisions thereof shall be incorporated into this Certificate.

Failure to comply with all applicable laws, rules, regulations and orders of the Board or Office of Cable Television and/or the terms, conditions and limitations set forth herein may constitute sufficient grounds for the suspension or revocation of this Certificate.

This Renewal Certificate is issued on the representation that the statements contained in the Petitioner's applications are true, and the undertakings therein contained shall be adhered to and enforceable unless specific waiver is granted by the Office of Cable Television pursuant to the authority contained in N.J.S.A. 48:5A-1 et seq.

This Certificate shall expire on April 28, 2017.

DATED: 6/22/05

BOARD OF PUBLIC UTILITIES

JEANNE M. FOX PRESIDENT

FREDERICK F. BUTLER

COMMISSIONER

CONNIE O. HUGHES COMMISSIONER

h.

COMMISSIONER

ATTEST:

KRISTI IZZO SECRETARY HEREBY/CERTIFY that the within document is a true copy of the original in the files of the Roard of Rublical

in the files of the Board of Public Utilities

# APPENDIX "!" OFFICE OF CABLE TELEVISION LINE EXTENSION POLICY

# COMCAST OF NEW JERSEY II, LLC CITY OF EAST ORANGE

A cable operator is required to absorb the cost of extensions to the system in the same proportion that the extension is to the remainder of the system.

Actual subscribers served by the extension are required to absorb the remainder of the cost

If new subscribers are added to the extension the cost is adjusted and those who previously paid receive an appropriate rebate.

1.	# of homes in extension mileage of extension	=	homes per mile (HPM) of extension
2.	HPM of extension Minimum HPM that company actually constructs in the system *	=	ratio of the density of the extension to the minimum density which the company constructs in the system ("A")
3.	Total cost of building the extension times "A"	=	company's share of extension cost
4.	Total cost of building extension less company's share of extension cost	=	total amount to be recovered from subscribers
5.	Total amount to be recovered from subs Total subscribers in extension	= on	each subscriber's share

In any case, the company shall extend its plant along public rights of way to:

- 1. All residences and businesses within 150 aerial feet of the operator's existing plant at no cost beyond the normal installation rate.
- 2. All residences and businesses within 100 underground feet of the operator's plant at no cost beyond the normal installation rate.

<sup>\*</sup> The minimum HPM that the company actually constructs in the system or municipality is the minimum number of homes that the company has historically constructed at its own cost. This is a function of the operator's break-even point and its rate of return. Unbuilt systems will use the primary service area rather than construction.

The operator's installation policies shall apply to construction beyond the public right of way.

Detailed accounting and/or financial information to support the minimum HPM shall be supplied to the Office for its approval in such form as required. The minimum HPM shall be updated as appropriate.

When a request for service is received, and unless good cause is shown, cable companies shall:

- 1 Provide a written estimate within 30 days of such a request.
- Begin construction within 60 days of receipt of any deposit monies from potential subscribers.
- Complete construction within six months of receipt of any deposit monies from potential subscribers.
- Inform each home passed along the extension of the potential costs for subscribers.

Subscribers who pay for an extension shall be entitled to rebates in the following manner:

- If the company acquires new subscribers subsequent to the initial calculation of step 5 above, the formula will be adjusted and those who have previously paid for the extension will be entitled to an appropriate rebate. In no event shall the amount of the rebate exceed the subscriber's contribution.
- The company shall keep accurate records of the cost of the extension, the amounts paid by subscribers and any appropriate adjustments.
- The company shall notify subscribers in the extension of their rights and responsibilities concerning the extension.
- 4. Once an individual dwelling has paid its share of the extension cost future reconnections or installations shall be made at the company's standard rates.
- After a period of five years from the installation of the first dwelling unit in the extension no further adjustments shall be made. Installations after five years shall be at the company's standard rate.
- 6. Once a subscriber is installed, that person shall not normally be entitled to a refund of any monies paid for the installations, except in accordance with the rebate procedure outlined in this policy.

#### **Definitions**

# Primary Service Area

The Primary Service Area (PSA) can be an entire municipality, but in many instances the PSA is a limited area within a community outside of which a line extension policy may apply. The PSA is depicted by a franchise map and narrative, presented and recorded during the franchise proceedings. It normally remains a fixed geographic area throughout the life of the franchise.

# Line Extension Survey

Potential subscribers residing outside the PSA who request service are entitled to an estimate of their share of the cost to secure service. When conducting a survey and estimating costs, a cable company should factor in all potential subscribers who could practicably be included in the extension and give consideration to apparent residential construction in areas contiguous to the proposed extension.

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